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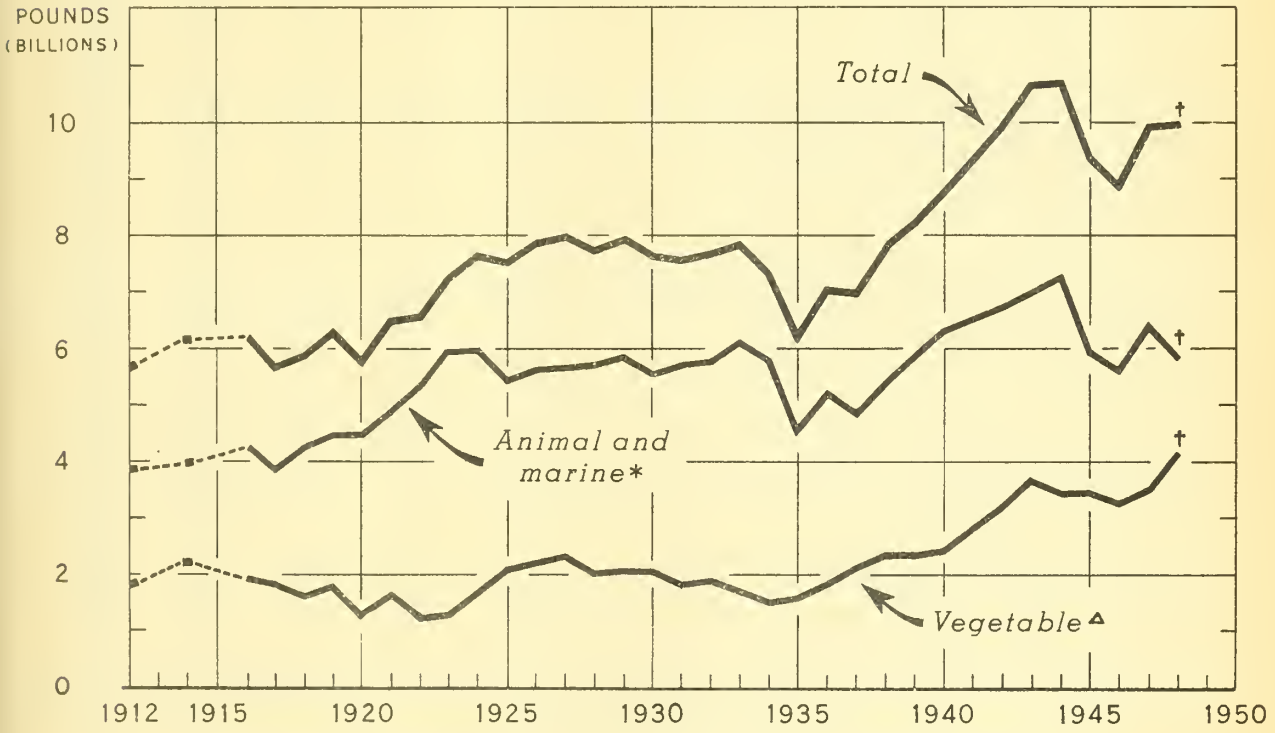
SUPPLEMENT TO SEPTEMBER-OCTOBER 1948 ISSUE

THE Fats and Oils SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

FOS-128 Sup. BAE SEPT-OCT. 1948

FATS AND OILS: PRODUCTION FROM DOMESTIC MATERIALS, UNITED STATES, 1912-48



*BUTTER, LARD, TALLOW (EDIBLE AND INEDIBLE), GREASES, INCLUDING WOOL GREASE; AND FISH, FISH-LIVER, WHALE, AND SEAL OILS.

△COTTONSEED, SOYBEAN, PEANUT, CORN, OLIVE, LINSEED, AND TUNG OILS.

†1948 ESTIMATED FROM REPORTED DATA, JANUARY-AUGUST, AND INDICATIONS FOR SEPTEMBER-DECEMBER.

U. S. DEPARTMENT OF AGRICULTURE NEG. 46936 BUREAU OF AGRICULTURAL ECONOMICS

Production of domestic vegetable oils in 1948 is about double the 1924-33 average, owing chiefly to an increase in soybean oil output. Production of animal fats totals about the same as in 1924-33. A substantial increase in output of inedible tallow and greases has been offset by declines in butter and lard production.

Total domestic production of fats and oils may tend upward in the next few years, with the increase taking place mainly in lard and butter output. Lard production will rise in 1949-50 as a result of the bumper 1948 corn crop.

Table 1.- Wholesale prices per pound of fats, oils, and glycerin at specified markets, and index numbers of prices of fats and oils, September 1946 and 1947, July-September 1948

Item	September 1946	September 1947	1948 July	1948 Aug.	1948 Sept.
	Cents	Cents	Cents	Cents	Cents
Butter, 92-score, Chicago	75.8	79.8	78.6	75.3	72.0
Butter, 92-score, New York	77.1	80.1	78.7	75.6	71.5
Oleomargarine, dom. veg., Chicago	20.0	32.0	39.0	37.5	36.6
Shortening, cottonseed, hydrogenated, 10-drum lots, N.Y.	—	27.2	33.9	32.0	31.8
Shortening, cont. animal fat, 1-lb. cartons, Chicago	—	27.5	35.8	33.5	32.5
Lard, loose, Chicago	17.3	21.0	20.3	20.4	20.5
Lard, prime steam, tierces, Chicago	18.3	21.3	21.9	19.5	19.0
Lard, refined, 1-pound cartons, Chicago	21.5	23.2	24.2	24.2	24.6
Oleo oil, extra, tierces, Chicago	13.0	23.4	30.2	26.5	26.8
Oleostearine, tierces, N. Y.	1/ 10.5	18.0	29.3	26.8	22.5
Tallow, edible, Chicago	9.9	17.5	17.2	14.8	14.3
Corn oil, crude, tanks, f.o.b. mills	12.8	20.5	26.6	24.6	23.0
Corn oil, refined, drums, New York	—	26.9	35.8	30.7	2/ 28.0
Cottonseed oil, crude, tanks, f.o.b. S.E. mills	3/ 12.5	20.6	27.5	24.6	22.1
Cottonseed oil, p.s.y., tank cars, N.Y. (nearby futures)	—	22.2	28.2	21.3	23.1
Cottonseed oil, refined, drums, New York	—	27.0	37.7	33.2	32.3
Peanut oil, crude, tanks, f.o.b. mills	13.0	20.8	27.8	25.2	24.2
Peanut oil, refined, drums, N.Y.	—	26.5	37.7	33.5	32.4
Soybean oil, crude, tank cars, midwestern mills	11.8	18.8	22.1	22.1	22.8
Soybean oil, refined, drums, N.Y.	15.5	23.2	29.4	27.2	4/ 26.2
Babassu oil, tanks, New York	12.0	14.5	26.0	25.5	26.8
Coconut oil, crude, tank car lots, Pacific Coast 5/	6/ 11.1	18.5	24.5	24.4	28.1
Coconut oil, refined, drums, New York (tax included)	7/ 12.8	7/ 20.1	33.3	32.5	31.0
Olive oil, imported, edible, drums, N.Y.	66.9	85.1	60.5	61.1	61.5
Olive oil, California, edible, drums, N.Y.	58.7	71.7	56.7	56.7	56.7
Olive-oil foots, domestic, drums, carlots, N.Y.	18.0	—	23.2	23.2	23.2
Palm oil, crude, drums, N.Y. 5/	—	—	—	32.0	32.0
Sesame oil, tanks, Pacific Coast	—	25.0	33.0	—	—
Teaseed oil, refined, drums, N.Y.	—	—	—	33.0	33.0
Tallow, inedible, prime or extra, carlots, Chicago	8.6	16.8	15.8	13.4	13.3
Tallow, No. 1, inedible, Chicago	8.4	15.3	14.2	11.7	11.2
Grease, A White, Chicago	8.8	16.1	15.0	12.8	12.4
Menhaden oil, light pressed, tanks, N.Y.	12.2	17.2	20.6	19.0	19.0
Sardine oil, crude, tanks, Pacific Coast	8.9	18.0	19.0	15.0	15.6
Cottonseed-oil foots, raw (50% T.F.A.) delivered, East	3.6	3.9	4.2	3.2	2.9
Tall oil, refined, tanks, works	4.5	6.8	5.8	5.8	5.8
Linseed oil, raw, tank cars, Minneapolis	16.6	29.3	27.3	27.2	27.1
Linseed oil, raw, drums, carlots, N.Y.	17.8	29.7	29.1	29.1	29.1
Oiticica oil, drums, f.o.b. N.Y.	26.0	26.2	20.6	19.3	18.2
Tung oil, drums, carlots, N.Y.	39.0	25.0	23.1	22.0	22.4
Tung oil, tanks, f.o.b. Pacific Coast	—	25.2	21.4	20.4	—
Castor oil, No. 3, drums, carlots, N.Y.	17.4	27.6	23.2	22.2	21.6
Castor oil, No. 1, tanks, N.Y.	19.5	27.2	22.7	21.8	20.5
Castor oil, dehydrated, tanks, N.Y.	26.4	30.0	25.7	25.0	24.9
Cod-liver oil, med. U.S.P. bbl., N.Y.	35.2	38.4	34.5	34.5	34.5
Cod oil, Newfoundland, drums, N.Y.	11.9	21.0	24.5	24.5	24.5
Glycerin, soaplye, basis 80%, tanks, N.Y.	11.5	22.5	29.0	29.0	29.0

INDEX NUMBERS (1935-39 = 100)

Eight domestic fats and oils (1910-14 = 100)	218	254	261	8/ 244	232
Eight domestic fats and oils (.72*)	215	251	258	8/ 240	228
All fats and oils (27 items) (.73*)	216	259	268	8/ 252	245
All fats and oils, except butter (26 items) (.82*)	170	243	266	8/ 245	243
Grouped by origin:					
Animal fats (.69*)	233	259	258	242	232
Marine animal oils (.77*)	171	321	391	338	344
Vegetable oils, domestic (.84*)	165	262	314	8/ 289	269
Vegetable oils, foreign (.88*)	181	253	265	263	288
Grouped by use:					
Butter (.67*)	257	272	267	257	245
Butter, seasonally adjusted (.67*)	251	267	288	264	240
Lard (.78*)	179	209	214	191	186
Other food fats (.84*)	168	252	306	8/ 281	270
All food fats (.71*)	227	259	268	8/ 252	242
Soap fats (.80*)	150	241	271	8/ 245	261
Drying oils (.85*)	193	287	275	274	274
Miscellaneous oils (.71*)	180	301	296	286	279
All industrial fats and oils (.82*)	168	265	273	8/ 259	266

Prices compiled from Oil, Paint and Drug Reporter, The National Provisioner, The Journal of Commerce (New York), Chicago Journal of Commerce, and reports of Production and Marketing Administration and Bureau of Labor Statistics. Excise taxes and duties included where applicable. Index numbers of earlier years beginning 1910 are in Technical Bulletin No. 737(1940) and The Fats and Oils Situation beginning December 1940.

1/ Barrels. 2/ Midwest mills. 3/ Southwest mills. 4/ Winterized, tanks, delivered East. 5/ Three-cent processing tax added to prices as originally quoted. 6/ Bulk, c.i.f. 7/ Tank cars. 8/ Revised.

* Multiply by this factor to convert current index number (1935-39 = 100) to old basis (1924-29 = 100).

Table 2.- Imports and exports of fats, oils, oil-bearing materials, and fat-and-oil products, in terms of oil, average 1937-41, annual 1947, and January-August 1947 and 1948

Item	Imports for consumption				Exports 1/			
			January-August				January-August	
	Average 1937-41	1947	1947	1948 2/	Average 1937-41	1947	1947	1948 2/
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
Food fats and oils								
Butter	3.8	3.8	3.8	3/	9.5	4/ 17.3	4/ 11.8	4/ 7.9
Lard	3/	3/	3/	3/	272.7	415.6	265.4	216.4
Oleo oil	---	---	---	---	3.8	.1	.1	.1
Oleo stock	---	---	---	---	2.9	1.4	1.2	3/
Stearine, animal, edible	1.0	---	---	---	.3	.2	.2	---
Tallow, edible	2.9	---	---	---	.2	.6	.3	1.3
Total, edible animal fats	7.7	3.8	3.8	3/	289.4	435.2	279.0	225.7
Corn oil	14.2	---	---	---	.3	.4	.1	.1
Cottonseed oil	72.1	1.0	3/	3.3	11.0	12.8	3.0	25.3
Cottonseed (15.5 percent)	---	---	---	---	---	2.1	1.8	1.3
Olive oil, edible	48.5	11.2	6.2	23.5	---	.1	.1	.1
Peanut oil	16.1	.1	.1	.1	2.4	2.2	1.2	.7
Peanuts, shelled (43 percent)	---	---	---	---	---	74.8	41.8	85.0
Sesame oil	9.9	.2	.2	1.3	---	---	---	---
Sesame seed (47 percent)	4.8	4.5	3.9	9.7	---	---	---	---
Soybean oil	7.0	.1	3/	.2	10.5	110.0	48.4	68.2
Soybeans (15 percent)	---	---	---	---	30.9	22.5	16.9	20.8
Sunflower oil	.8	3/	3/	3/	5/	.1	3/	---
Teaseed oil	10.0	6.4	5.7	3.4	---	---	---	---
Vegetable oils, shipments to U.S.Territories	---	---	---	---	8.5	8.3	6.2	5.1
Total, edible vegetable oils	183.4	23.5	16.1	41.5	63.6	233.3	119.5	206.6
Soap fats and oils								
Fish oils	2.6	3.1	2.4	8.6	2.7	10.9	5.2	8.5
Greases	---	3/	3/	3/	4.5	14.3	10.1	7.7
Marine mammal oils	6/ 25.4	6/ 14.9	6/ 7.3	24.0	2.9	.1	3/	.3
Olive oil "foots"	20.2	---	---	7.2	---	.1	.1	.8
Olive oil, inedible	5.5	.2	.2	.2	---	3/	3/	3/
Palm oil	301.2	63.2	39.2	36.5	17.3	11.7	8.2	8.5
Tallow, inedible	7.7	1.1	1.0	.9	1.5	55.1	29.7	36.0
Total, slow-lathering oils	362.6	82.5	50.1	77.4	28.9	92.2	53.3	61.8
Babassu oil	.4	1.7	1.5	1.2	---	---	---	---
Babassu kernels (63 percent)	48.9	14.0	13.9	22.2	---	---	---	---
Coconut oil	362.8	23.6	17.5	54.1	33.4	61.6	46.6	17.7
Copra (63 percent)	335.9	853.9	532.8	419.6	27.8	21.7	19.5	1.0
Murumuru kernels (36 percent)	1.2	3/	3/	---	---	---	---	---
Palm-kernel oil	28.8	2.4	---	7.9	---	---	---	---
Palm-nut kernels (45 percent)	14.8	3/	3/	3/	---	---	---	---
Tucum kernels (43 percent)	2.4	7.3	7.2	5.4	---	---	---	---
Total lauric-acid oils	795.2	902.9	572.9	510.4	61.2	83.3	66.1	18.7
Drying oils								
Flaxseed (34 percent)	351.7	5.5	5.4	20.5	---	.3	.2	.3
Linseed oil	.1	117.3	117.2	3.6	3.3	24.0	4.8	24.0
Oiticica oil	16.0	8.5	7.1	10.9	---	---	---	---
Perilla oil	28.9	---	---	---	---	---	---	---
Perilla seed (37 percent)	.5	---	---	---	---	---	---	---
Tung oil	100.4	121.6	86.1	87.5	5.0	7.2	3.8	5.4
Total drying oils	497.6	252.9	215.8	122.5	8.3	31.5	8.8	29.7
Other industrial oils and fats								
Cashew-nut shell liquid (oil)	2.7	3.4	2.2	4.0	---	---	---	---
Castor oil	.5	6.6	6.6	1.4	1.0	3.4	3.0	1.0
Castor beans (45 percent)	95.0	124.6	70.7	84.6	---	---	---	---
Fish-liver oils	46.7	17.0	10.2	17.6	---	9.2	6.3	5.6
Japan wax (tallow)	3.0	---	---	3/	---	---	---	---
Neat's-foot oil	---	.1	3/	.1	.6	1.1	1.1	.1
Rapeseed oil	10.3	5.8	2.8	3.6	---	3/	3/	3/
Vegetable tallow	2.7	.1	.1	3/	---	---	---	---
Wool grease	3.0	.1	.1	.1	---	---	---	---
Other vegetable oils and fats	---	.1	3/	.9	13.2	2.0	1.3	3.3
Total, other industrial	163.9	157.8	92.7	112.3	14.8	15.7	11.7	10.0
Manufactured products (fat content)								
Margarine 7/	1.9	---	3/	.3	1.3	19.9	14.2	4.2
Shortening	1.4	3/	3/	3/	8.0	10.3	7.3	6.7
Soap	2.8	.4	.3	.4	30.8	62.4	44.9	30.2
Total, manufactured products	6.1	.4	.3	.7	40.1	92.6	66.4	41.1
Exports through private relief agencies	---	---	---	---	---	24.3	13.9	18.7
Grand total 8/	2,016.7	1,423.6	951.9	864.9	506.3	1,008.4	618.6	612.4

Compiled from Monthly Summary of Foreign Commerce of the United States, records of the Bureau of the Census, and reports of the U. S. Department of Agriculture.

1/ Includes shipments to U. S. Territories of butter, lard, and manufactured products; reexports of coconut, palm, and tung oils, olive-oil foots, and copra; and reexports in 1947 of certain quantities of linseed oil reported in imports for consumption. 2/ Preliminary. 3/ Less than 50,000 pounds. 4/ Includes actual weight of butter, oil and spreads (Army). These were not reported separately prior to 1945. 5/ Not reported separately. 6/ Sperm-whale oil except 1937-41 average, which includes 13.6 million pounds of sperm-whale oil. 7/ Imported margarine goes largely to Puerto Rico and the Virgin Islands. 8/ Computed from unrounded numbers.

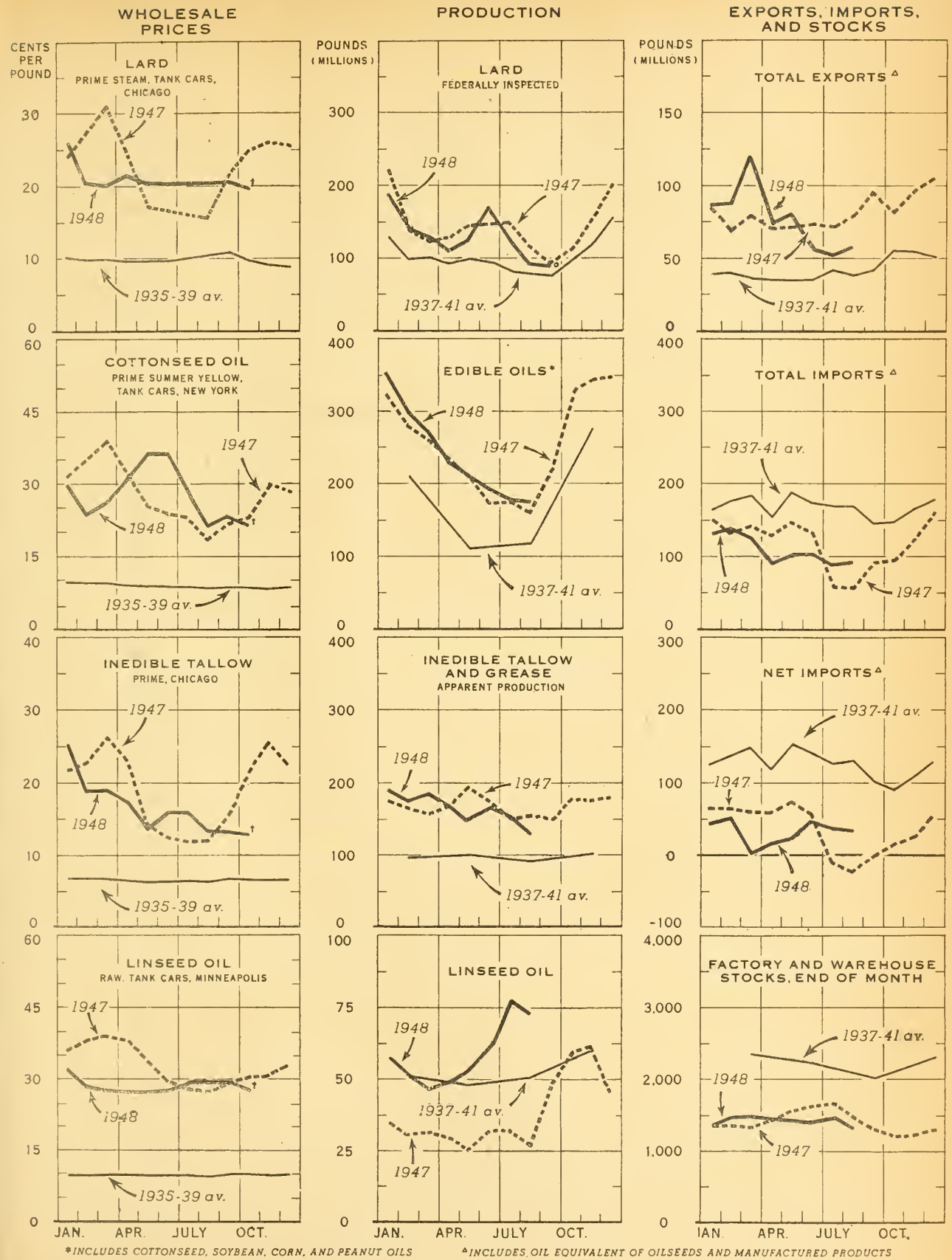
Table 3. - Fats and oils, including oleomargarine and shortening: Production from domestic and imported materials, January-August 1948, and factory and warehouse stocks at end of month, August 1948, with comparative data

Items grouped by major use	Production 1/				Stocks (crude basis)		
	August	August	January-August		August 31:	July 31,	August 31,
	1947	1948	1947	1948	1947	1948	1948
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
PRIMARY FATS AND OILS							
Food fats and oils							
Butter 2/	116.6	117.7	985.3	858.5	88.4	83.1	97.6
Lard and rendered pork fat 3/	108.1	90.6	1,158.1	1,070.4	202.1	217.2	166.1
Oleo oil, edible animal stearine, and edible tallow	12.9	11.6	124.7	84.9	17.0	12.1	10.9
Total edible animal fats	237.6	219.9	2,268.1	2,013.8	307.5	312.4	274.6
Corn oil 4/	20.0	15.7	169.7	126.5	13.5	9.9	9.8
Cottonseed oil 4/	31.0	51.2	457.8	636.1	144.2	128.7	90.9
Olive oil, edible	—	—	2.1	2.3	1.6	2.5	1.9
Peanut oil 4/	2.7	2.4	101.8	95.8	28.3	23.9	15.1
Sesame oil	5/	5/	5/	5/	1.0	2.8	1.3
Soybean oil 4/	105.3	105.6	1,068.4	1,047.2	256.2	152.8	122.8
Total edible vegetable oils	159.0	174.9	1,799.8	1,907.9	444.8	320.6	241.8
Soap fats and oils							
Tallow, inedible, and greases, excluding wool grease 6/	157.2	128.4	1,342.6	1,314.0	285.0	365.8	340.2
Palm oil 4/	—	—	—	—	17.6	15.7	18.8
Fish oil	22.2	22.6	58.1	58.3	69.6	39.3	49.2
Marine mammal oils	—	.2	.1	.3	6.0	27.8	27.6
Olive oil, inedible and "foots"	—	—	5/	5/	.5	7/ .1	7/ .1
Total slow-lathering oils	179.4	151.2	1,400.8	1,372.6	378.7	448.7	435.2
Babassu oil 4/	5/	5/	5/	7/ 11.5	3.7	7.3	5.4
Coconut oil 4/	51.9	41.4	526.3	421.7	117.3	90.3	82.2
Total lauric-acid oils	51.9	41.4	526.3	433.2	121.0	97.6	87.6
Drying oils							
Castor oil, dehydrated 8/	2.6	4.4	22.0	32.1	6.2	8.8	7.0
Linseed oil	26.5	72.2	241.4	470.9	132.9	150.1	165.3
Oiticica oil	—	—	—	—	3.6	6.1	4.9
Tung oil	—	—	10.9	12.1	46.0	43.0	43.0
Total drying oils	29.1	76.6	274.3	515.1	188.7	208.0	220.2
Other industrial oils and fats							
Neat's-foot oil	.2	.2	1.6	1.2	1.1	.8	.9
Wool grease	1.8	1.4	14.8	14.0	6.9	7.6	7.4
Cod oil and fish-liver oils	.4	.5	4.2	2.9	11.1	11.2	12.8
Castor oil, No. 1 and No. 3 9/	2.9	6.5	56.0	57.7	18.8	26.4	20.4
Rapeseed oil	—	—	5/	—	3.4	7.2	6.5
Other vegetable oils	2.9	3.4	24.4	34.5	6.3	13.5	12.2
Total	8.2	12.0	101.0	110.3	47.6	66.7	60.2
Grand total 10/	665.2	676.2	11/6,975.3	11/6,926.2	1,488.4	1,453.8	1,319.4
From domestic materials	607.3	620.3	11/6,341.4	11/6,358.2			
From imported materials	57.9	55.9	633.9	568.0			
OLEOMARGARINE 12/	50.0	73.3	430.4	599.9	N.A.	7.3	6.6
SHORTENING	99.7	112.3	819.0	912.4	45.9	72.5	61.3

Compiled from reports of the Bureau of the Census, except as noted. Data include stocks held by the Government in reported positions.

1/ Factory production except as otherwise noted.
2/ Creamery butter production and cold-storage stocks, U. S. Department of Agriculture.
3/ Federally inspected production, USDA.
4/ Stocks, crude oil plus refined oil converted to crude basis by dividing by the following factors: Babassu, corn, cottonseed, palm, and palm-kernel oils, 0.93; coconut, peanut, and soybean oils, 0.94.
5/ Included in "Other vegetable oils."
6/ Total apparent production, BAE (computed from factory consumption, trade, and stocks).
7/ Incomplete; partly included in "Other vegetable oils."
8/ Converted to crude basis by dividing by 0.88.
9/ Estimated quantity used in manufacture of dehydrated castor oil excluded from production.
10/ Computed from unrounded numbers.
11/ Includes estimated output of farm butter and nonfederally inspected lard, 605 million pounds in 1947 and 573 million pounds in 1948.
12/ Bureau of Internal Revenue.

FATS AND OILS SITUATION AT A GLANCE



*INCLUDES COTTONSEED, SOYBEAN, CORN, AND PEANUT OILS
△INCLUDES OIL EQUIVALENT OF OILSEEDS AND MANUFACTURED PRODUCTS
†PRICE OCTOBER 14
°ESTIMATED FROM WEEKLY DATA

Table 4. - Price received by farmers and prices at terminal markets for specified oil-bearing materials and oilmeals, September 1946 and 1947, July-September 1948

Item	Unit	September		1948		
		1946	1947	July	Aug.	Sept.
		Dollars	Dollars	Dollars	Dollars	Dollars
Oil-bearing materials						
Castor beans, Brazilian ports	Long ton	1/141.80	212.50	140.50	131.25	123.00
Copra, Philippine, c.i.f. Pacific Coast	Short ton	110.25	175.00	264.00	242.50	246.25
Cottonseed, United States average	Short ton	57.80	75.60	93.00	78.60	68.10
Flaxseed, No. 1, Minneapolis	Bushel	4.00	6.39	6.08	6.00	6.01
Flaxseed, United States average	Bushel	3.77	6.18	5.83	5.75	5.74
Peanuts, No. 1 shelled, Spanish, Southeastern shipping points	100 lb.	14.31	16.25	17.12	17.00	16.50
Peanuts, United States average	100 lb.	8.98	10.00	10.40	10.40	10.40
Soybeans, No. 2 Yellow, Chicago	Bushel	---	2.92	3.78	3.22	---
Soybeans, United States average	Bushel	2.13	3.05	3.66	2.91	2.45
Oilseed meals 2/						
Copra meal, Los Angeles 3/	Short ton	59.70	79.10	92.75	82.00	83.80
Cottonseed meal, 41 percent protein, Memphis	Short ton	62.75	89.90	82.95	67.10	62.80
Cottonseed meal, 41 percent protein, Chicago	Short ton	---	95.75	92.45	73.80	72.45
Linseed meal, 34 percent protein, Minneapolis	Short ton	4/ 59.25	87.70	72.00	66.80	64.50
Linseed meal, 34 percent protein, New York	Short ton	---	94.60	84.65	78.90	76.20
Peanut meal, 45 percent protein, f.o.b. Southeastern mills	Short ton	67.25	89.15	80.45	67.70	66.30
Soybean meal, 41 percent protein, Chicago	Short ton	66.00	102.70	96.90	84.40	81.50

Compiled from Oil, Paint and Drug Reporter, Daily Market Record (Minneapolis), Chicago Journal of Commerce, reports of the Bureau of Agricultural Economics, and records of Production and Marketing Administration.

1/ C.i.f. first port of arrival.
2/ Bagged carlots.
3/ Original quotations adjusted to bagged-carlots basis.
4/ 32 percent protein.